

AGENDA



Thursday, May 14, 2009

**Neighborhood Housing and Community Development
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 19

Subject: Approve a resolution to adopt a Substantial Amendment to the City's (1) Fiscal Years 2004-2009 Consolidated Plan; (2) Annual Action Plan for Fiscal Year 2008-2009, required by the U.S. Department of Housing and Urban Development (HUD); and (3) the Texas Local Government Code Chapter 373, Community Development 2008-2009 Program. Approval of the Substantial Amendment will allow the City of Austin to administer grant funds made available to the City of Austin from the American Recovery and Reinvestment Act of 2009.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Margaret R. Shaw, Director, Neighborhood Housing and Community Development, 974-3184.

Boards and Commission Action: The Community Development Commission reviewed and made recommendations to the City Council on additional stimulus funds at their April 14, 2009 and May 12, 2009 meetings. The draft HPRP recommendations were presented to the Austin City Council Public Health & Human Services Subcommittee on April 21, 2009.

Prior Council Action: Public hearing conducted on April 23, 2009.

The United States Department of Housing and Urban Development (HUD) announced the City of Austin will be allocated two grants made possible through the American Recovery and Reinvestment Act of 2009 (ARRA), also known as the Stimulus Act. The grants are \$3,062,820 in Homeless Prevention and Rapid Re-Housing Program (HPRP) to be administered by the City's Health and Human Services Department (HHSD) and \$2,003,003 of Community Development Block Grant (CDBG-R) funds to be administered by the Neighborhood Housing and Community Development (NHCD) Department. The HPRP and CDBG-R application is due to HUD on May 18, 2009.

HUD directed jurisdictions to amend their current 2008-09 Action Plans in order to apply for ARRA funds. To expedite the availability of funds, ARRA allows localities to shorten the public-comment period. Austin citizens had 12 days – from April 20 to May 1, 2009 -- to comment on plans to use the funds. The proposed amendment was available at 10 locations throughout Austin, including select neighborhood centers, libraries, the offices of the Austin Housing Authority and NHCD. Both written and electronic comments were accepted. Austin City Council conducted a public hearing on April 23, 2009. Further opportunities for public input included:

- The City's solicitation of ideas from the public for ideas on the use of CDBG-R through the City of Austin web site.
- Community Development Commission (CDC) meetings on April 14, 2009, and May 12, 2009, to review and make recommendations on both CDBG-R and HPRP.
- Review of the HHSD plans to allocate the budget for \$3.1 million in HPRP funding by key stakeholders, including the Basic Needs Coalition, ECHO, CDC and Travis County staff.
- The draft HPRP recommendations were presented to the Austin City Council Public Health & Human Services Subcommittee on April 21, 2009.

- In preparing the proposed amendment, NHCD and HHSD staff incorporated public comments received as part of the community needs survey for the City's Fiscal Years 2009-2014 Consolidated Plan. The needs assessment process provided key information to assist the City in its effort to highlight areas of critical need for low and moderate-income Austin residents. The needs assessment period was from January 1, 2009, through March 13, 2009, and included numerous stakeholder meetings, public hearings and written comment opportunities.

Detailed descriptions of staff recommendations for allocations of CDBG-R and HPRP monies are attached.